



NEWS

AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

FOR IMMEDIATE RELEASE

CONTACT: Paul Proski
Sandra Fabry
202-785-0266

5 APRIL 2004

One More Week To Save Maryland from Higher Taxes

--Pressure will be high to compromise this week. Legislators should stand firm in support of taxpayers. --

WASHINGTON, D.C. – As lawmakers begin their last full week of their legislative session today, the deadline for passing a budget that would spare Marylanders from seeing their taxes go up draws near. If lawmakers fail to meet the deadline, which is midnight, April 12, they will have to continue their debate in a special session, until agreement is reached.

Analysts say the state faces about a three quarters of a billion dollar shortfall. The problem is traceable, as in most states, to unsustainable spending growth. According to the Small Business Survival Committee (SBSC), per capita spending in Maryland increased 36.7% between 1992 and 2000. The state could have saved **\$2.8 billion in 2000 alone**, had spending increased more slowly, according to SBSC.

“What is happening in Maryland is a phenomenon we have seen across the nation,” said Grover Norquist, president of Americans for Tax Reform. **“State governments go on a spending-spree, and when they cannot afford it anymore, they raid taxpayers’ pocketbooks.”**

While there seems to be mostly bipartisan agreement on how the \$23.6 billion budget should be spent, there is still major disagreement on how the missing revenue should be generated. Gov. Ehrlich was able to push through a budget that included no tax increases last year. With the economy in rebound, helped by President Bush’s three tax cuts at the federal level, Maryland should be able to repeat this feat this year.

“Lawmakers should use the remaining week to sit down and find alternative solutions to the budget impasse,” Norquist continues. **“It is doable. Other states – Texas, Minnesota, Massachusetts, Colorado, New Hampshire – have closed their budget gaps successfully by identifying unnecessary programs and wasteful spending. The goal should be to spur Maryland’s growth by cutting taxes, not hiking them. Why should Marylanders pay for fiscal mismanagement on the part of their elected officials?”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org.